Protection of small investors

*16. SHRI HARISH RAWAT:
SHRI R.K. ANAND:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) the special efforts being proposed to help the small investors in the share market; and

(b) the details of the steps which are being taken against vanishing companies under the Criminal Law?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) A number of steps have been taken by the Government to help the small investors, *viz.*

An "Investor Education & Protection Fund" (IEPF) has been set-up under section 205 C of the Companies Act, 1956 for promotion of investor awareness, education and protection of interests of investors. A comprehensive campaign has been undertaken to empower the small investor through education.

An "Investor Protection Cell" has been set up in the Ministry of Company Affairs and its field offices to redress the grievances of investors. A new system of on-line filing of complaints by investors and depositors against defaulting companies has been launched by the Ministry in January, 2005, for prompt response to their grievances.

Comprehensive revision of the Companies Act, 1956 is being done. Measures to effectively protect the interests of small investors are integral part of the proposed legislation.

Further, SEBI has taken a series of measures for the small investors which include strengthening of the entry norms for companies accessing primary market, making the disclosure norms in offer documents more stringent, policy changes in the primary issuances including new definition of retail individual investor and review of the book-building guidelines.

(b) Besides taking action under various provisions of Companies Act, 1956 for non-compliance, action under the Criminal Law has also been taken against the Vanishing Companies and their Promoters/ Directors. To that end, a model First Information Report (FIR) has been developed in consultation with the Securities and Exchange Board of India

(SEBI), for filing complaints with the police authorities for offences punishable under sections 403, 406, 418, 420 and 424 of the Indian Penal Code (IPC). FIRs have been filed in 92 cases.

Air Services to Kangra

*17. DR. KARAN SINGH : Will the Minister of CIVIL AVIATION be pleased to state:

(a) by when the Kangra airport will be ready to receive medium size aircraft; and

(b) by when regular and satisfactory services to Kangra will begin?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL) : (a) and (b) Airports Authority of India (AAI) has already completed development work at Kangra Airport to facilitate operation of ATR-42 type of aircrafts. State Government has been requested to divert the existing Sonara-Dharamshala road and drain passing very close to the extended runway for safety of aircraft operations. Regular and satisfactory air services by airlines thereafter are contingent on commercial viability of operations.

Expenditure on decoration of petroleum outlets

*18. SHRI V. HANUMANTHA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the petroleum companies have spent thousands of crores of rupees on decorating the petroleum outlets;

(b) the reasons for this huge expenditure on petrol pumps;

(c) whether it is also a fact that the oil PSUs have taken deliberate decision to avoid giving dividends to Government through such expenditure;

(d) whether any enquiry is proposed in the matter; and

(e) if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Modernization of the retail outlets is being done by the Public Sector Oil Marketing Companies (OMCs) in the context of the fierce competition that has been unleased in petrol and diesel retailing